

# CITY OF RENO COUNCIL BUDGET MEETING

Kate Thomas | Office of Management and Budget  
May 7, 2014



A scenic view of a river flowing through a city. In the background, there are several buildings, including a prominent red brick building and a modern glass-fronted building. The river is surrounded by lush green trees and vegetation. The water is clear and flows over rocks, creating small rapids. The sky is blue and clear.

## May 7, 2014 Budget Workshop:

- Limited Voluntary Early Retirement Program
- Follow Up Items from April 23, 2014 Workshop
- FY 14/15 Fee Schedule
- Redevelopment Agency Budgets
- ThinkReno 2035 Presentation



**Intent:** reduce number of firefighters undergoing separation from service on June 30, 2014 as a result of loss of Federal funding

- \$260,000 maximum (\$20,000 per retiree)
- Council approval initiates 45-day process (plus 7 days for reconsideration)
- FY 13/14 budget – one time funds identified

*Potential options for firefighters undergoing separation from service on June 30, 2014 as a result of loss of Federal funding:*

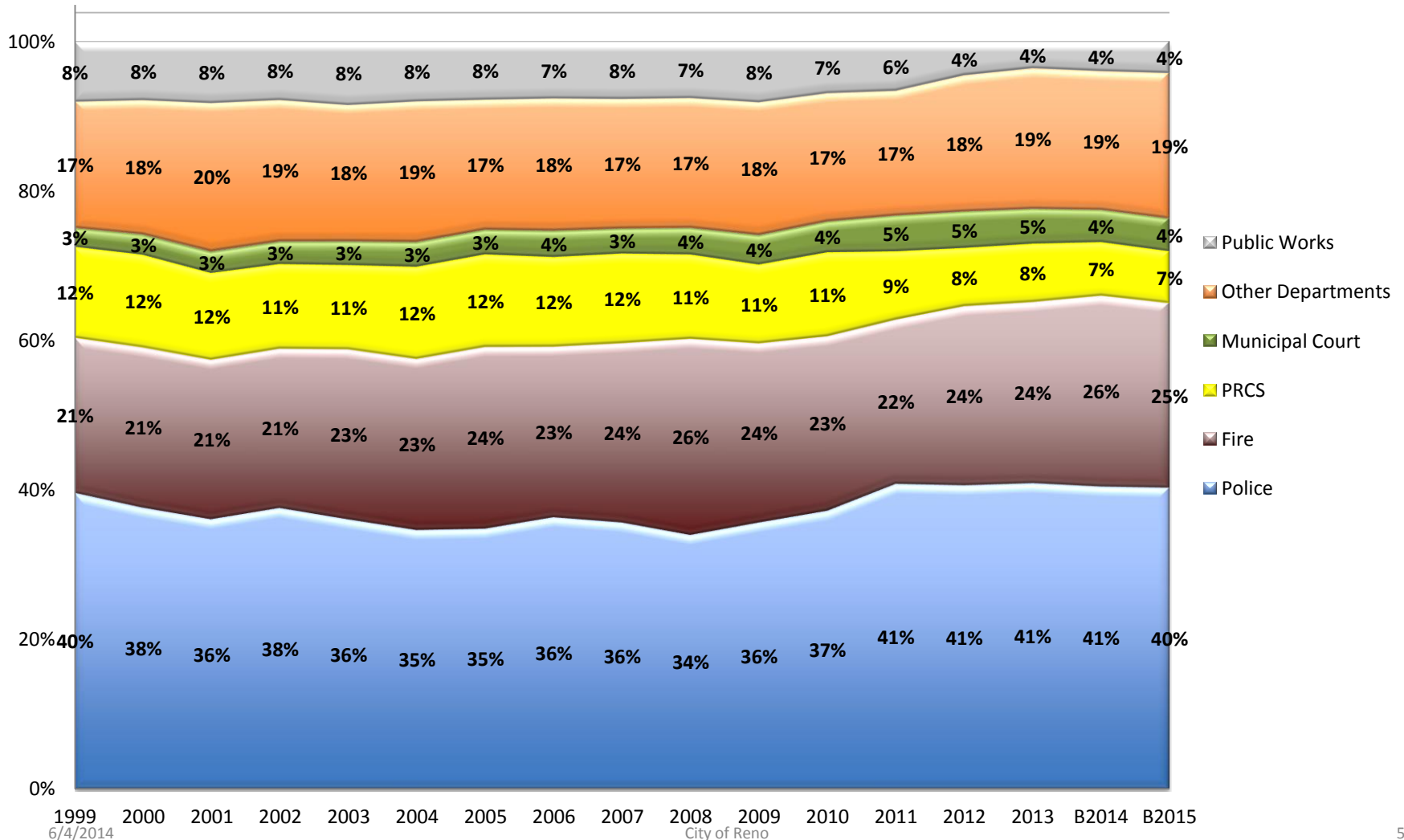
- Limited voluntary early retirement program (item F2 today)
- City of Las Vegas Fire Department
- City of North Tahoe Fire Department
- City of Boise Fire Department
- City of Albuquerque Fire Department
- Reno Police Department – Police Officers



# Safe and Livable Neighborhoods Priority



**General Fund Department Expenses**  
**As a Percentage 1999-2013 (Actual) - 2014-2015 (Budgeted)**  
*Does not include TMFPD or SAFER*



# Additional Fire Positions




Per Council direction, general fund position added; total positions added to General Fund in FY 14/15 = 17

## Fire inspection revenue alignment

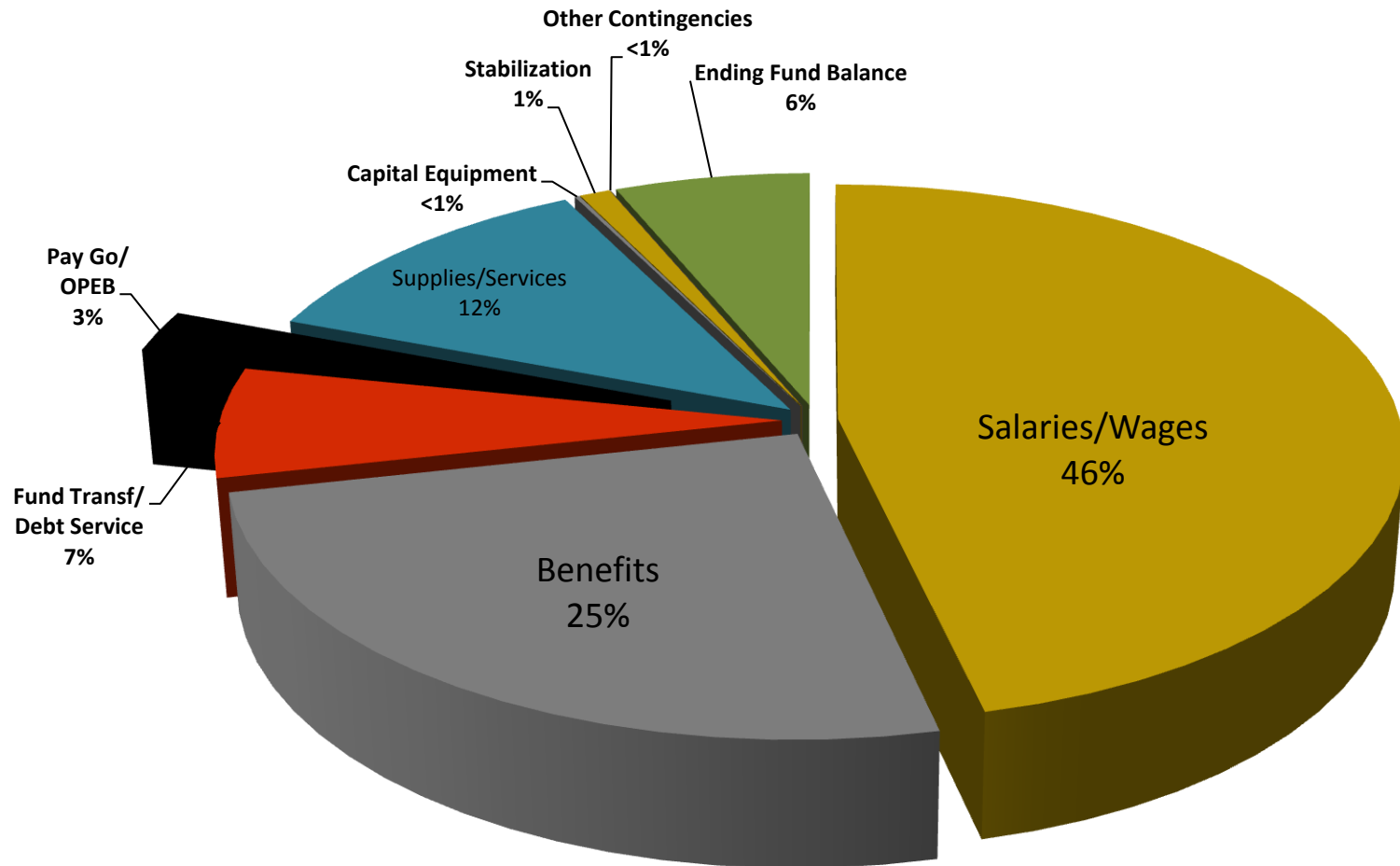
- Revenue for fire-only inspections not being allocated to Fire Department
- Building enterprise revenue will offset general fund to allocate to additional firefighters





Follow Up Requested Items

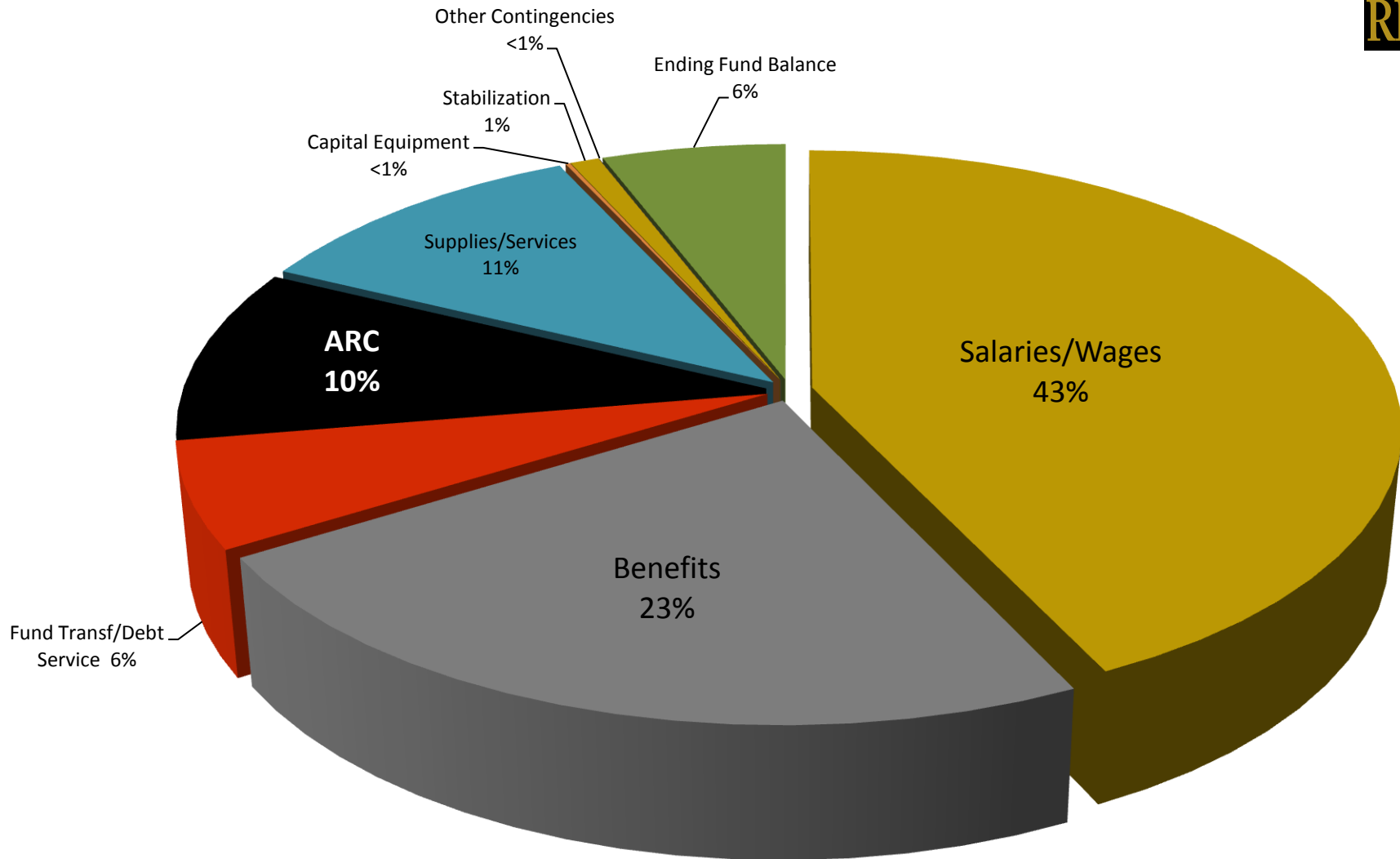
# GF Expenditures | Benefits Breakdown



Salaries, Wages, OPEB = 74%

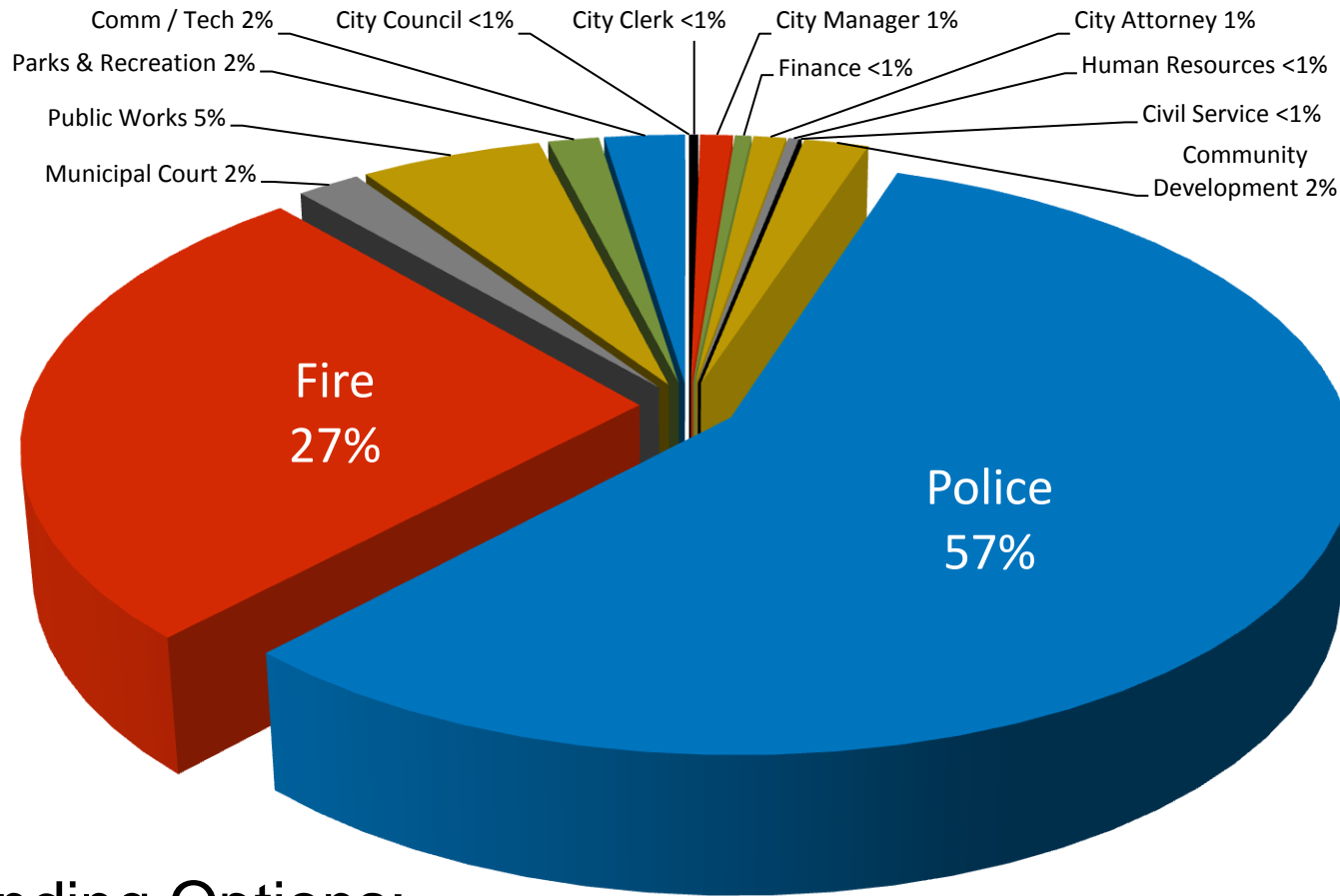


# OPEB | ARC Funded Scenario



Salaries, Wages, OPEB = 76%

# OPEB | \$210M Liability by Department



## Funding Options:

- PayGo (current budget) = \$4,300,000
- Normal Cost = \$8,719,392 (additional \$4.42M needed)
- ARC = \$18,125,747 (additional \$13.8M needed)



# Core Services Review



- Project budget = \$100,000
- PRCS and PW core services review (incl. fleet)
- RFP for outside services to recommend improvements in efficiency
  - Staffing
  - Service delivery
- Review allocation of financial resources
- Review associated fees/fee schedule
- Review current strategic plan
- Recommend best practices

# Parking Garage Information



**\$160,000 in current budget:**

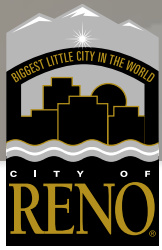
- Structural repairs on floors 2 & 3
- Remove/replace obvious cracked and loose concrete, clean and coat rebar and patch with new surface
- Include ramps if funding allows

**Other necessary items (not included in FY 15) total \$930,000**

- Control access to Garage with entry / exit system and add cameras (\$170,000)
- Paint garage interior (\$160,000)
- Partial depth slab repairs levels 4-6 new surface (\$100,000)
- Elevator replacement (\$500,000)



# Risk Division - Responsibilities



- Claims and Tort Litigation
- Insurance
- Recoveries
- Trainings – tort mitigation
- Budget administration and preparation

FY 11/12 Actual	FY 12/13* Actual	FY 13/14 Mid year
Reserves: \$723,117 Payouts: \$135,837	Reserves: \$919,315 Payouts: \$269,019	Reserves: \$3,352,560 Payouts: \$62,568

\*FY12/13 Effective Claims Management = \$950,000+ to GF

# Property/Vehicle Insurance Program



## FY 12/13 Challenges/Solutions:

- Policy renewal w/less coverage/28% anticipated rate increase
  - Went to market; updated property/vehicle lists (underinsured due to underreporting values )
  - Limited rate increase to 3%; coverage maintained or increased; obtained additional coverage (increased stop loss from \$275K to \$300K w/o additional premium)



# Property/Vehicle/Excess Insurance Program



## FY 13/14 Challenges/Solutions:

- Anticipated premium increase of 30% (\$114K)
- Loss of majority of earthquake coverage (\$250K+ anticipated premium for only earthquake coverage)
  - Went to market and secured all-risk coverage for minimal increase (<\$40,000)
- Carrier declined coverage to municipal market before 13/14 renewal
  - Went to market and secured comparable policy with lower deductible at a minimum premium increase

Item	2011/12	2012/13	2013/14 midyear
• Recoveries*	\$47,176	\$76,774	\$53,590

- Annual Training:
  - Civil Liability
  - Civil Rights
  - Constitutional Law
  - Constitutionality of Gang Enforcement
  - Individual department consultations on claims, special events, etc.
- On Call Major Incident Response:
  - Renown
  - Reno Air Races
  - Caughlin Fire



# Downtown Pride Program (Walk & Clean)



## Goals:

- Improve physical appearance downtown
- Increase tourist/resident comfort levels
- Encourage ownership by downtown property owners (private spaces collectively or individually)
- Ensure City resources applied to problem solving (coordinated/long-term results)
- Improve connection of downtown to the University

# Downtown Pride Program (Walk & Clean)



## Resources:

- \$80,000 - High Sierra Industries for daily trash pickup, sidewalk sweeping, ambassadors
- \$13,000 – overtime for police, fire, code and business license staff
  - non-traditional work hours to address problems, educate, & collaborate with businesses
- \$25,000 – (2) seasonal public works staff
  - power washing, graffiti removal, etc.
- \$25,000 for specific capital improvements
  - (e.g. lighting, vegetation, trash receptacles)

# Room Tax



## CITY OF RENO, NEVADA ROOM TAX FUND ALLOCATIONS

DESCRIPTION	FY10 AMOUNT	FY11 AMOUNT	FY12 AMOUNT	FY13 AMOUNT	FY14 AMOUNT	FY15 BUDGET	FY16 BUDGET
Affordable Child Care	50,000	50,000	50,000	-	-	-	-
Pioneer Center	-	-	-	50,960	40,960	50,960	50,960
Keep Truckee Meadows Beautiful	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Arts Commission	182,500	173,375	182,500	182,500	182,500	182,500	182,500
Arts Challenge Grant*	50,000	50,000	50,000	-	-	-	-
Risk Premiums	3,221	3,221	3,221	4,187	4,187	4,187	4,396
Special Events	100,000	100,000	100,000	100,000	279,589	100,000	100,000
Web Master**	113,830	113,830	113,830	-	-	-	-
Artown	-	-	-	125,000	112,500	125,000	125,000
1 E 1	396,170	341,711	350,197	355,115	355,115	-	-
Indirect Costs	3,579	3,863	5,162	5,976	5,976	14,999	14,999
Allocation Art in Public Places	50,000	50,000	50,000	-	-	50,000	50,000
PRCS	900,000	900,000	900,000	900,000	900,000	900,000	900,000
<b>TOTAL ALLOCATION</b>	<b>1,864,300</b>	<b>1,801,000</b>	<b>1,819,910</b>	<b>1,738,738</b>	<b>1,895,827</b>	<b>1,442,646</b>	<b>1,442,855</b>

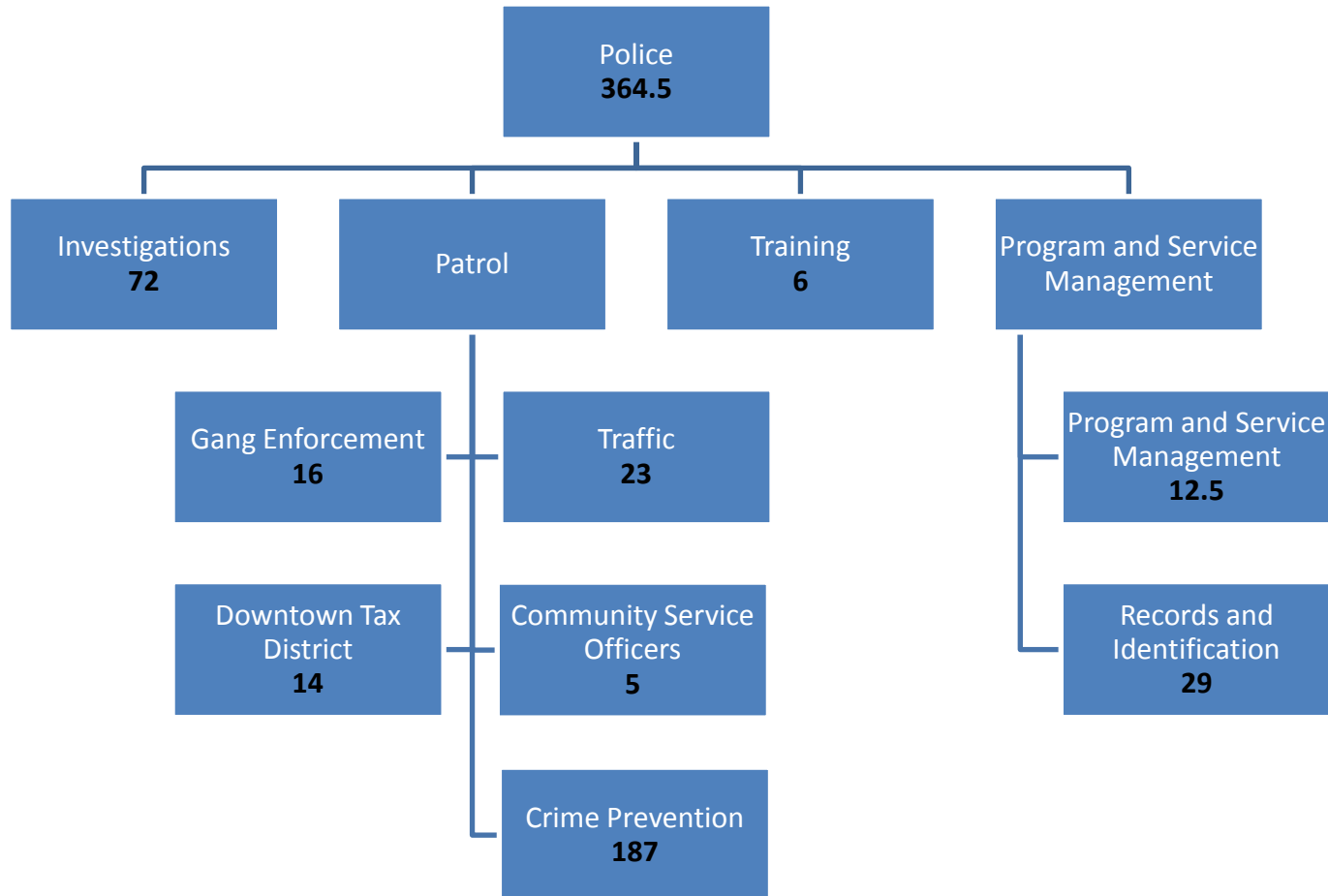
\* Moved to Parks, Recreation, & Community Services

\*\* Moved to City Manager's Office - Office of Communications & Community Engagement

Room Tax Fund - 1% Room Tax allocated 1/2 percent for tourist related projects (City improvements or programs, the primary purpose of which is the improvement or betterment of the City as a final destination for visitors and tourism) and 1/2 percent for Parks & Recreation

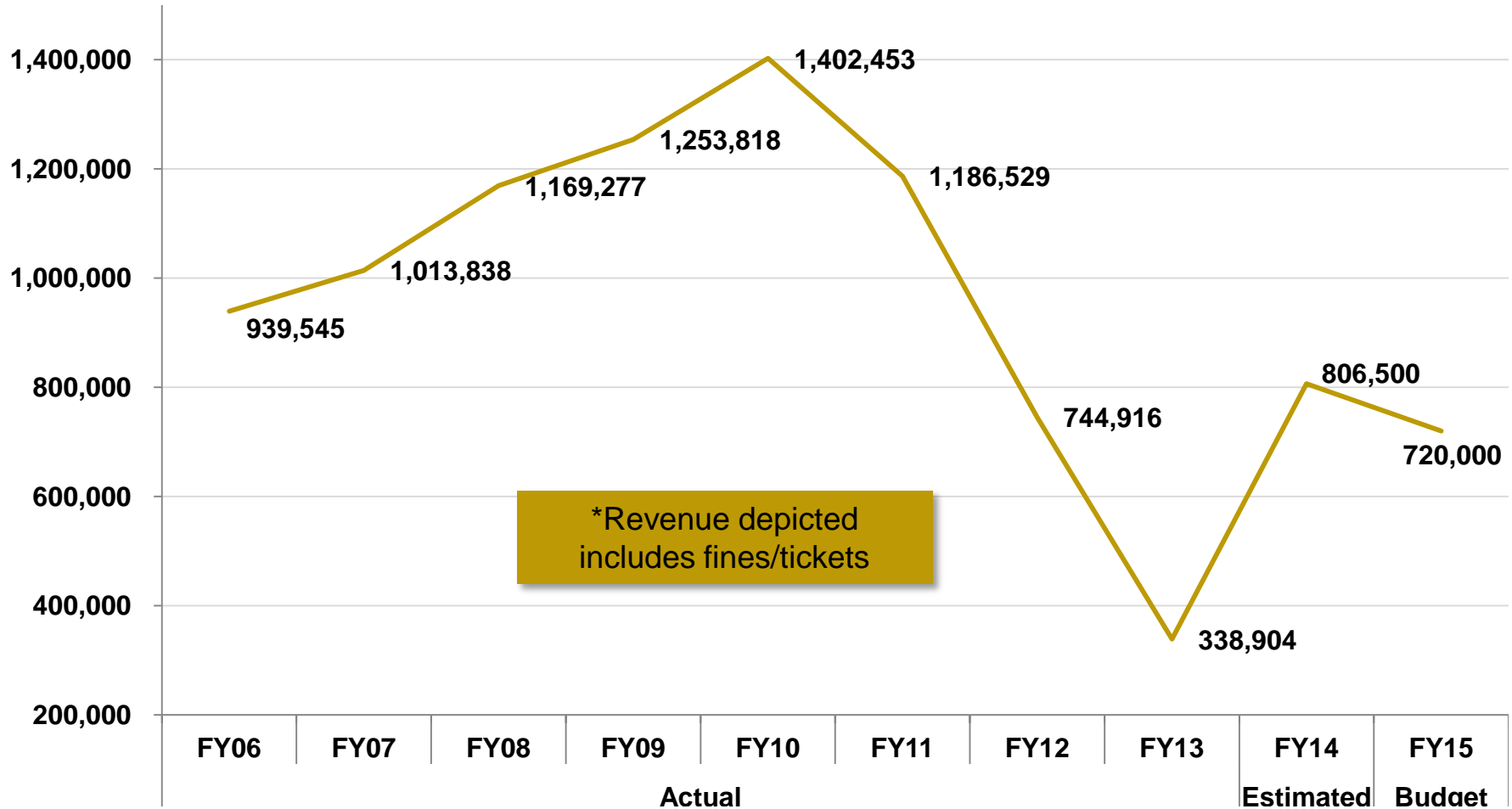
Authority: City of Reno Ordinance, 1983

# RPD | FTE by Program





# Parking Meter Revenue Information\*



A scenic view of a river with rapids, surrounded by trees and city buildings. The river flows from the background towards the foreground, where it becomes more turbulent with white water. On the left, there are buildings and a walkway. On the right, there are more trees and a rocky shoreline. The sky is clear and blue.

# Proposed Fee Schedule Overview

Cindy Lemmer, Management Analyst

# Fee Schedule Highlights | Changes



- Community Development - Planning/Engineering
  - Fee alignment recommendations
  - Med Marijuana Establish Zoning Verification Letter Fee
  - Minor Special Use Permit (SUP), Title 18 Annexation Land Development code update scheduled for FY15
- Business License
  - Alcohol Fees - approved 5% increase July 2014 (per Council Resolution No. 7779)
- Finance
  - Sewer Lien and Duplicate Lien, fee increase, cost recovery



# Fee Schedule Highlights | Changes



- Parks, Recreation & Community Services
  - Adult Wheelchair Rugby Tournaments – new service
  - Ice Rink – fees removed from schedule
  - Idlewild Snowflake and Mira Loma Shelters – fees increased, market rate
  - Idlewild Park Special Event Area – fees increased, market rate and increased usage
  - Golf – fees removed from schedule



# Fee Schedule Highlights | Changes



- Administrative
  - Copy charges, extraordinary use (NRS 239.055), based on actual cost not to exceed additional \$.50 per page
  - Municipal Court
  - Fee schedule reformat

# Planning/Engineering Fee Information



	Reno	AVG	Las Vegas	Henderson	North Las Vegas	Sparks	Fernley	Salt Lake City	Sacramento	Reno
FEE	Existing									Proposed
Abandonment	\$ 3,564.00	\$ 798.89	\$ 500.00	\$ 400.00	\$ 450.00	\$ 635.00	\$ 775.00	\$ 332.22	\$ 2,500.00	\$ 2,750.00
Admin Interpretation Hourly Fee	\$ 170.00	\$ 183.34	\$ 500.00	\$ 118.00	\$ 200.00	\$ 120.00	\$ 150.00	\$ 55.37	\$ 140.00	\$ 150.00
Amend Approved Condition	\$ 2,144.00	\$ 829.50		\$ 468.00	\$ 1,150.00	\$ 1,200.00	\$ -		\$ 500.00	\$ 2,000.00
Annexation - per case	\$ 1,409.00	\$ 1,012.49	\$ 300.00	\$ 300.00	\$ 330.00	\$ 3,000.00	\$ 775.00	\$ 1,107.40	\$ 1,275.00	\$ 0.00
Appeal - Admin Decision	\$ 50.00	\$ 273.50	\$ 300.00	\$ 50.00	\$ 200.00			\$ 221.48	\$ 0 - \$1192.00	\$ 50.00
Boundary Line Adjustment	\$ 1,202.00	\$ 475.29	\$ 300.00	\$ 332.00	\$ 300.00	\$ 1,325.00	\$ 250.00	\$ 220.00	\$ 600.00	\$ 1,000.00
Development Agreement	\$ 17,065.00	\$ 4,633.33	\$ 1,000.00	\$ 2,000.00	\$ 2,000.00	\$ 1,900.00	\$ 900.00		\$ 20,000.00	\$ 10,000.00
Master Plan Amendment	\$ 22,854.00	\$ 6,313.79	\$ 1,150.00	\$ 416.00	\$ 700.00	\$ 30,000.00	\$ 1,100.00	\$ 830.55	\$ 10,000.00	\$ 6,500.00
Minor Deviation	\$ 634.00	\$ 555.80	\$ 300.00	\$ 104.00	\$ 100.00		\$ 150.00		\$1250.00-\$3000.00	\$ 600.00
Parcel Map	\$ 1,981.00	\$ 936.00	\$ 300.00	\$ 661.00	\$ 300.00	\$ 1,080.00	\$ 775.00		\$ 2,500.00	\$ 1,500.00
Site Plan Review	\$ 4,000.00	\$ 1,207.39	\$ 500.00		\$ 200.00	\$ 4,372.50		\$ 664.44	\$ 300.00	\$ 2,300.00
Special Use Permit	\$ 5,085.00	\$ 1,603.78	\$ 500.00	\$ 312.00	\$ 550.00	\$ 7,500.00	\$ 1,100.00	\$ 664.44	\$ 600.00	\$ 3,700.00
Tentative Map - base fee	\$ 5,000.00	\$ 692.04	\$ 750.00	\$ 520.00	\$ 450.00		\$ 1,100.00	\$ 332.22	\$ 1,000.00	\$ 5,000.00
Time Extensions	\$ 614.00	\$ 696.60	\$ 300.00	\$ 208.00	\$ 200.00		\$ 775.00		\$ 2,000.00	\$ 600.00
Variance	\$ 5,300.00	\$ 1,347.60	\$ 300.00	\$ 266.00	\$ 150.00	\$ 4,610.00	\$ 775.00	\$ 332.22	\$ 3,000.00	\$1,750 - 2,500
Zone Change	\$ 10,972.00	\$ 3,644.99	\$ 700.00	\$ 500.00	\$ 700.00	\$ 1,629.00	\$ 1,100.00	\$ 885.92	\$ 20,000.00	\$ 6,000.00
Subdivision Map	\$ 19,920.00	\$ 5,699.63	\$ 750.00	\$ 500.00	\$ 500.00	\$ 33,908.00	\$ 775.00	\$ 664.44	\$ 2,800.00	\$ 5,000.00

\*As of October, 2013





# Reno Redevelopment Areas #1 & #2

Frank Avera, Management Analyst

# Reno Redevelopment Agency #1



<b>Redevelopment Agency #1</b>	<b>Projected FY 13/14</b>	<b>Manager Recommended FY 14/15</b>	<b>Difference</b>
Parking Gallery	\$470,000	\$470,000	0%
West Steet Market	\$150,300	\$150,300	0%
Debt Service	\$2,916,760	\$2,909,010	-0.27%
<b>Total</b>	<b>\$3,537,060</b>	<b>\$3,529,310</b>	<b>-0.22%</b>

- Revenue includes: Rent from Parking Gallery and WSM plus Motor Vehicle Privilege Tax
- Reno Redevelopment Agency #1 includes settlement agreement



# Reno Redevelopment Agency #2



<b>Redevelopment Agency #2</b>	<b>Projected FY 13/14</b>	<b>Manager Recommended FY 14/15</b>	<b>Difference</b>
Nevada Land, LLC	\$850,000	\$850,000	0.00%
Bond interest & principal	\$77,313	\$80,363	3.80%
<b>Total</b>	<b>\$927,313</b>	<b>\$930,363</b>	<b>0.33%</b>

- Reno Redevelopment Agency #2 includes baseball payment in lieu of fire station loan
- Nevada Land, LLC payment includes:
  - \$100,000 to SK Baseball
  - \$750,000 fire house relocation loan (thru FY 18)

A scenic view of the Reno River in Reno, Nevada. The river flows from the background towards the foreground, where it creates white water rapids over rocks. The banks are lined with lush green trees and urban buildings. In the background, a prominent red brick building with a clock tower is visible. The sky is clear and blue. A semi-transparent brown banner is overlaid on the middle of the image, containing the text "ThinkReno 2035" and "Maureen McKissick, City Manager's Office".

# ThinkReno 2035

Maureen McKissick, City Manager's Office

# What Is Our Community Vision?



- Last visioning was in 2004
- Between 2004-2014
  - Great Recession
  - Changes in City organization
  - Economic shifts
  - Demographic changes
  - New opportunities
- Results of Glenn Group surveys in 2012



# Where We've Been Over the Last 2 Years



## City Council

- 4 new Council members – November 2012
- 1<sup>st</sup> Council Strategic Session – February 2013
- 2<sup>nd</sup> Council Strategic Session – February 2014

## Community

- New collaborations and regional visions
- Smarter Region
- Rainforest Session
- New University Master Plan



## WHY ARE WE PROPOSING A NEW PROCESS?

- The timing is right
- The community interest and need is great
- Leadership is hungry and willing to lead
- There is an appetite for collaboration

It is time to build a plan for the future and NOT remain nestled in the past.



# Paths to Defining a New Vision.....



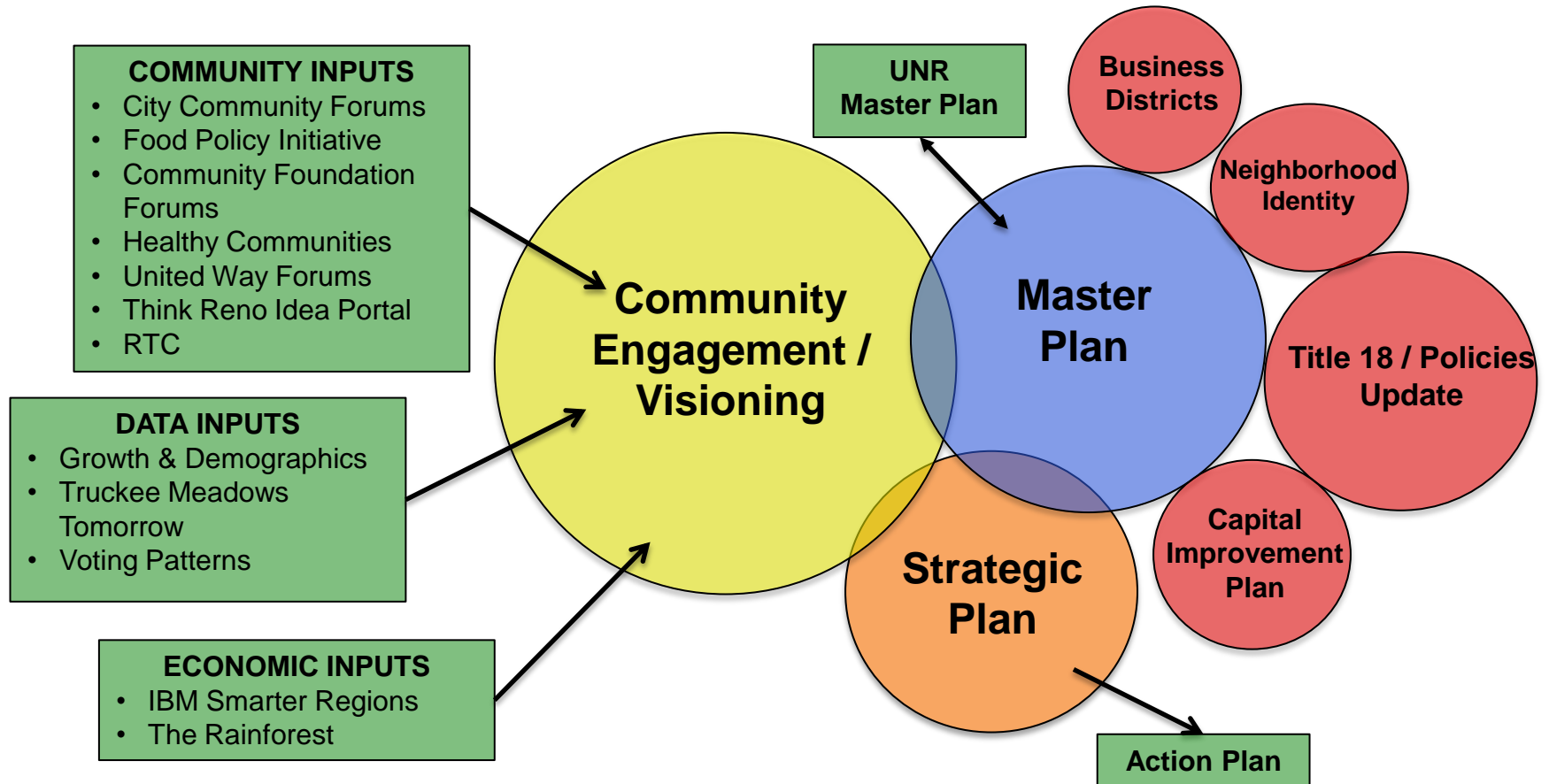
- Community engagement
- City policies
- Council direction in February 2014
  - Develop concepts to identify community vision for future
  - Reach out to regional partners for collaboration
  - Come back with a plan

# Proposed Plan for ThinkReno 2035

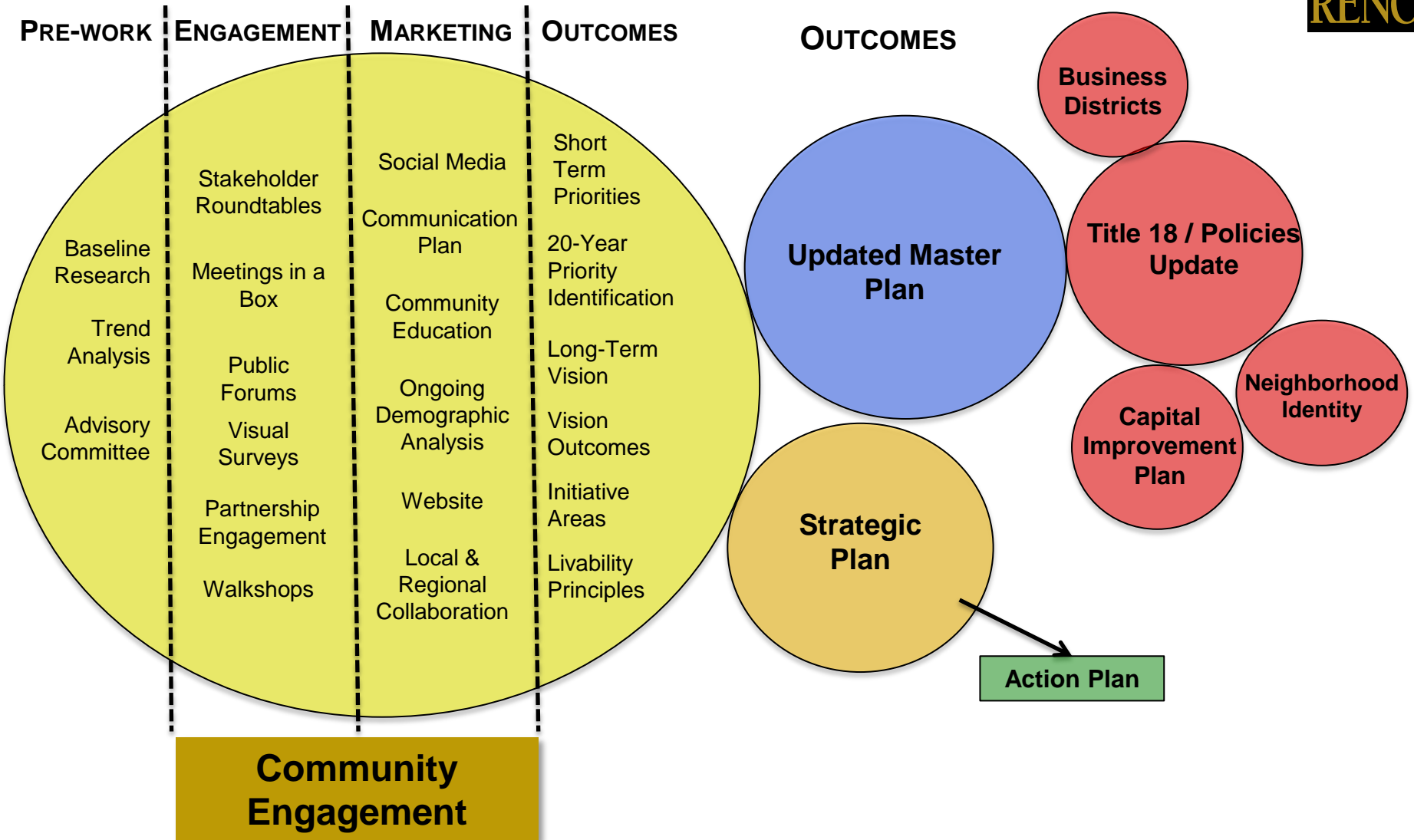


- Seek initiation of new Master Plan
- Expand Master Plan’s “public participation plan” to include robust community engagement (e.g. forums, visual preference, surveys, workshops, etc.)
- Deliverables
  1. Community vision
  2. Master plan
  3. Development code, CIP

# Process Sequence



# Visioning Detail







- **Staffing**
  - Primarily internal staff
  - Consultants TBD
- **2 Year Timeframe**
  - Kickoff after July 1, 2014
  - Wrap up before November 2016
- **Proposed Budget Request**
  - Seeking approval of \$150,000 for FY 14/15
  - Requests for FY 15/16 and 16/17



May 20, 2014 – 3:00 p.m. Council Chambers:

Tentative budget hearing

Fee schedule

Special Assessment District

Tax rate adoption (no change)